FROST & SULLIVAN

2024
NEW PRODUCT INNOVATOR

IN THE GLOBAL WAREHOUSE MANAGEMENT SYSTEMS INDUSTRY

DEPOSCO™

FROST & SULLIVAN

2024 BEST PRACTICES AWARD

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Deposco excels in many of the criteria in the Global Warehouse Management Systems space.

AWARD CRITERIA

New Product Attributes	Customer Impact
Match to Needs	Price/Performance Value
Reliability	Customer Purchase Experience
Quality	Customer Ownership Experience
Positioning	Customer Service Experience
Design	Brand Equity

Industry Challenges

Mid-sized enterprises (MSE) with revenues between $50 million and $1 billion face unique challenges related to warehouse management systems (WMS). Traditional WMS can be expensive due to factors like upfront technology costs (CAPEX), implementation and integration costs, and ongoing software licensing fees (OPEX). These are a significant barrier for MSEs as they look to upgrade their existing systems and expand their operations.

> *"With a strong focus on mid-market third-party logistics (3PLs), eCommerce companies, and direct-to-consumer brand owners, Deposco has secured a base of loyal customers who see it as a genuine growth partner as they look to rapidly expand."*
>
> *- Mukul Krishna*
> *Global Practice Area Leader, Supply Chain and Logistics*

In addition, WMS solutions are very feature-rich and might be overwhelming for MSEs looking for point solutions that address specific challenges. This complication extends to the staff by way of introducing a steep learning curve and the required ongoing system maintenance.

Another challenge MSEs face is the limited IT resources they have available to deploy and maintain a WMS solution. The unavailability of a skilled workforce hampers the high aspirations of MSEs. As such, there is a significant need for WMS solutions that act as managed services and can scale as the organization grows.

Vendors and service providers in the WMS industry are evolving to address the specific challenges faced by MSEs. This includes offering point solutions to help customers address challenges one at a time and cloud-based WMS solutions that have lower upfront costs, flexibility, and scalability.

Point Solutions to Address Specific Customer Pain Points

In a market where many vendors try and position themselves as the most comprehensive solution for all warehouse management needs and customer types, Deposco is uniquely focused on MSEs with revenues between $50 million and $1 billion. With this focus, the company can support smaller divisions and subsidiaries of large enterprises and small businesses with exponential growth. These small businesses have needs similar to MSEs that Deposco already serves with its Bright Suite platform, designed to simplify supply chain, speed value, and deliver a platform for growth. With a strong focus on mid-market third-party logistics (3PLs), eCommerce companies, and direct-to-consumer brand owners, Deposco has secured a base of loyal customers who see it as a genuine growth partner as they look to rapidly expand.

> *"Bright Suite fulfillment applications have been designed from the ground up to serve the 3PL, Retail, eCommerce, and omnichannel industries in addition to brand owners targeting direct to consumers. The platform can scale from 500 orders per day to over 300,000."*
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Reliability, Quality, and Customer Ownership Experience

Deposco's reliability and quality have generated a strong customer ecosystem as it supports over $12 billion in annual sales for its customers and covers over 63 million consumer orders. Psycho Bunny, a luxury clothing brand, faced challenges due to a fragmented system that did not provide real-time inventory visibility. To remedy the negative impact of stock-outs, delays, lost sales, and additional costs, Deposco implemented its store inventory fulfillment solution across 60+ stores in only six months. With the Brand's first store live in only three months, Psycho Bunny was shipping more than 62,000 orders alongside a reduction from 2-5 days of processing time for orders sourced from the DC to under 48 hours out of the stores with Deposco.

According to Monica Provenza, Director, Omnichannel & Experience at Psycho Bunny, "I would recommend Deposco because of the real partnership. We work with many vendors, and the difference between them and Deposco is understanding our speed, our needs. We believe Deposco can go as fast as Psycho Bunny and we grow very fast!"

Design and Functionality

Deposco's Bright Suite fulfillment applications have been designed from the ground up to serve the 3PL, Retail, eCommerce, and omnichannel industries in addition direct-to-consumer brands. The platform can scale from 500 orders per day to over 300,000. It is designed for companies looking to scale rapidly, and Deposco is positioning itself as a growth guide for such companies. The solution suite enables demand planning, supply planning, sourcing and fulfillment , warehouse and inventory management, order management and distributed order management (DOM), store inventory management and fulfillment, software integrations and analytics, customer portal, and performance reports.

Implementation is typically completed in less than 90 days and training is completed within hours. Customers can automate all billable activities to shorten billing cycles and the platform comes with over 150 pre-packaged integrations, including carriers, marketplaces, material handling equipment, and robotic automation.

Alogistico, a California-based 3PL with highly diverse client requirements and a tight timeline, evaluated out-of-the-box suites first. They chose Deposco based on cost, hands-on expertise, swift delivery and value, and adaptability to future solutions including MHE. Deposco had the solution live in 55 days, with productivity having doubled in the first 30 days following. Within 45 days, custom dashboards were live, showing productivity tracking and analysis of product dynamics. By Day 75, Alogistico realized they had a $3 million business on track to double its run rate in about six months from Day 1.

"Looking at Deposco's overall feel from a product, development, delivery, cost, and fairness standpoint, we felt better with Deposco," said Steve Christiansen, President of Alogistico. "It's where we want to go as an enterprise. The powerful combination of Deposco and Alogistico has created tech-forward scalability that allows our customers to work on other parts of their sales and supply chains with us and never look back."

Conclusion

As warehouse management system vendors fight to establish their identity within this high growth and fiercely competitive marketplace, Deposco has succeeded by focusing on the mid-market and targeting companies looking to accelerate their growth. It has done this by ensuring its product innovations answer the needs of this target market, making Deposco the preferred customer growth partner. With its strong overall performance, Deposco earns Frost & Sullivan's 2024 Global New Product Innovation Award in the warehouse management systems industry.

What You Need to Know about the New Product Innovation Recognition

Frost & Sullivan's New Product Innovation Award recognizes the company that offers a new product or solution that uniquely addresses key customer challenges.

Best Practices Award Analysis

For the New Product Innovation Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

New Product Attributes

Match to Needs: Customer needs directly influence and inspire product design and positioning

Reliability: Product consistently meets or exceeds customer performance expectations

Quality: Product offers best-in-class quality with a full complement of features and functionality

Positioning: Product serves a unique, unmet need that competitors cannot easily replicate

Design: Product features an innovative design that enhances both visual appeal and ease of use

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at http://www.frost.com.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**